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Eradication of poverty and other development issues: industrial development cooperation

Report of the Second Committee*

Rapporteur: Mr. Glauco **Seoane** (Peru)

I. Introduction

1. The Second Committee held a substantive debate on agenda item 23 (see A/71/467, para. 2). Action on sub-item (b) was taken at the 23rd and 28th meetings, on 2 November and 8 December 2016. An account of the Committee's consideration of the sub-item is contained in the relevant summary records.[1]

II. Consideration of draft resolutions A/C.2/71/L.22 and A/C.2/71/L.49

2. At the 23rd meeting, on 2 November, the representative of Thailand, on behalf of the States Members of the United Nations that are members of the Group of 77 and China, introduced a draft resolution entitled "Industrial development cooperation" (A/C.2/71/L.22).

3. At its 28th meeting, on 8 December, the Committee had before it a draft resolution entitled "Industrial development cooperation" (A/C.2/71/L.49), submitted by the Vice-Chair of the Committee, Galina Nipomici (Republic of Moldova), on the basis of informal consultations held on draft resolution A/C.2/71/L.22.

4. At the same meeting, the Committee was informed that draft resolution A/C.2/71/L.49 had no programme budget implications.

* The report of the Committee on this item is being issued in three parts, under the symbols A/71/467, A/71/467/Add.1 and A/71/467/Add.2.

[1] A/C.2/71/SR.23 and A/C.2/71/SR.28.

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5. Also at the same meeting, the facilitator of the draft resolution (Guyana) made a statement and orally corrected a number of the preambular and operative paragraphs of draft resolution A/C.2/71/L.49.[2]

6. Also at its 28th meeting, the Committee adopted draft resolution A/C.2/71/L.49, as orally corrected (see para. 8).

7. In the light of the adoption of draft resolution A/C.2/71/L.49, as orally corrected, draft resolution A/C.2/71/L.22 was withdrawn by its sponsors.

[2] A/C.2/71/SR.28.

III. Recommendation of the Second Committee

8. The Second Committee recommends to the General Assembly the adoption of the following draft resolution:

Industrial development cooperation

The General Assembly,

Recalling its resolutions 49/108 of 19 December 1994, 51/170 of 16 December 1996, 53/177 of 15 December 1998, 55/187 of 20 December 2000, 57/243 of 20 December 2002, 59/249 of 22 December 2004, 61/215 of 20 December 2006, 63/231 of 19 December 2008, 65/175 of 20 December 2010, 67/225 of 21 December 2012 and 69/235 of 19 December 2014,

Recalling also the outcomes of all major United Nations conferences and summits in the economic, social, environmental and related fields,

Reaffirming its resolution 70/1 of 25 September 2015, entitled "Transforming our world: the 2030 Agenda for Sustainable Development", in which it adopted a comprehensive, far-reaching and people-centred set of universal and transformative Sustainable Development Goals and targets, its commitment to working tirelessly for the full implementation of the Agenda by 2030, its recognition that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development, its commitment to achieving sustainable development in its three dimensions — economic, social and environmental — in a balanced and integrated manner, and to building upon the achievements of the Millennium Development Goals and seeking to address their unfinished business,

Reaffirming also its resolution 69/313 of 27 July 2015 on the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, which is an integral part of the 2030 Agenda for Sustainable Development, supports and complements it, helps to contextualize its means of implementation targets with concrete policies and actions, and reaffirms the strong political commitment to address the challenge of financing and creating an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity,

Welcoming the Paris Agreement[1] and its early entry into force, encouraging all its parties to fully implement the Agreement, and parties to the United Nations Framework Convention on Climate Change[2] that have not yet done so to deposit their instruments of ratification, acceptance, approval or accession, where appropriate, as soon as possible,

[1] See FCCC/CP/2015/10/Add.1, decision 1/CP.21, annex.

[2] United Nations, *Treaty Series*, vol. 1771, No. 30822.

Taking note of the outcome documents of the fourteenth session of the United Nations Conference on Trade and Development, held in Nairobi from 17 to 22 July 2016,[3]

Recalling its resolution 70/293 of 25 July 2016 on the Third Industrial Development Decade for Africa (2016-2025), in which it underlined the need for the African continent to take urgent action to support the inclusive and sustainable industrialization of Africa in order to build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation, as well as to achieve other relevant Sustainable Development Goals of the 2030 Agenda,

Recalling also the fifteenth session of the General Conference of the United Nations Industrial Development Organization, held in Lima from 2 to 6 December 2013, and the Lima Declaration: towards inclusive and sustainable industrial development,[4] in which the General Conference notably reaffirmed the unique mandate of the Organization and laid the foundation for its upcoming work to support member States in achieving inclusive and sustainable industrial development,

Recalling further that the Addis Ababa Action Agenda recognized, inter alia, the critical importance of industrial development for developing countries as a critical source of economic growth, economic diversification and value addition,

Noting the ongoing efforts to implement the Programme of Action for the Least Developed Countries for the Decade 2011-2020, adopted in May 2011 at the Fourth United Nations Conference on the Least Developed Countries,[5] the SIDS Accelerated Modalities of Action (SAMOA) Pathway, adopted in September 2014 at the third International Conference on Small Island Developing States,[6] and the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024, adopted in November 2014 at the second United Nations Conference on Landlocked Developing Countries,[7] and recognizing that middle-income countries still face significant challenges in achieving sustainable development and the need, among other things, for improved coordination and better and focused support of the United Nations development system,

Noting also that inclusive and sustainable industrial development can effectively contribute to the achievement of the 2030 Agenda, integrating, in a balanced manner, the three dimensions of sustainable development,

Acknowledging the industrial development reports prepared by the United Nations Industrial Development Organization, which examine structural change and policies in relation to industrial development to improve the contribution of industry to sustainable development, social inclusion, decent work, productivity growth and energy efficiency,

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[3] TD/519/Add.1 and 2.

[4] See GC.15/INF/4, resolution GC.15/Res.1.

[5] *Report of the Fourth United Nations Conference on the Least Developed Countries, Istanbul, Turkey, 9-13 May 2011* (A/CONF.219/7), chap. II.

[6] Resolution 69/15, annex.

[7] Resolution 69/137, annex II.

Reiterating that each country has the right and the primary responsibility to define its development strategies in accordance with its national priorities and in line with the internationally agreed development goals, including the Sustainable Development Goals, noting the continuing withdrawals from the membership of the United Nations Industrial Development Organization, as well as the importance of member States in arrears fulfilling their obligations, and the potential impact on the Organization's capacity to deliver, and in this regard inviting all countries to consider aligning their support and development efforts towards the full implementation of the 2030 Agenda,

Recognizing the importance of the United Nations Industrial Development Organization to continue reaching out to all States Members of the United Nations and encourage them to join the Organization in the spirit of a revitalized global partnership for sustainable development and with a view to strengthening the means of implementation for Sustainable Development Goal 9 and other relevant and interlinked goals and targets of the 2030 Agenda,

Emphasizing the essential role of inclusive and sustainable industrial development as part of a comprehensive strategy of structural economic transformation in eradicating poverty in all its forms and dimensions, including extreme poverty, and supporting sustained economic growth, and thus in contributing to achieving sustainable development in developing countries, including the most vulnerable countries, and in particular African countries, least developed countries, landlocked developing countries and small island developing States, while recognizing the significant challenges facing middle-income countries, and emphasizing further that countries in situations of conflict also need special attention,

Recognizing the diversity of ways to achieve inclusive and sustainable industrial development and, in this connection, that each country has the primary responsibility for its own development and the right to determine its own development paths and appropriate strategies, that this requires effective measures at all levels to overcome weak economic growth and persistent and emerging challenges to strong and stable development, that inclusiveness and sustainability are key to achieving the 2030 Agenda for Sustainable Development and that such measures, while remaining consistent with relevant international rules and commitments, have to be tailored to take into account different national capacities, needs and levels of development, and respecting national policies and priorities,

Recalling that the Sustainable Development Goals and targets are integrated and indivisible and balance the three dimensions of sustainable development, and acknowledging that building resilient and quality infrastructure, promoting inclusive and sustainable industrialization, fostering innovation and achieving the interlinked targets of the other Sustainable Development Goals will be critical,

Stressing the importance of international industrial cooperation to promote inclusive and sustainable industrialization and to address major challenges and issues such as poverty eradication, growth and decent jobs, resource efficiency, energy, pollution and climate change, shifting demographics, knowledge networking and the narrowing of growing inequalities,

Stressing also that the creation, development and diffusion of new innovations and technologies and associated know-how, including the transfer of technology on mutually agreed terms, are powerful drivers of economic growth and sustainable development,

Underscoring the importance of using science, technology and innovation to build and maintain resilient industrial infrastructure and achieve inclusive and sustainable industrial development,

Recognizing the role of the business community, including the private sector, in enhancing the dynamic process of the development of the industrial sector, underlining the importance of the benefits of foreign direct investment in that process, and recognizing also in this regard that an enabling national environment is vital for mobilizing national resources, increasing productivity, fostering long-term and quality investment, encouraging the private sector and making effective use of international investment and assistance, and that efforts to create such an environment should be supported by the international community,

Stressing the importance of inclusiveness within the United Nations development system and that no one is left behind and no country is left behind in the implementation of the present resolution,

1. *Takes note with appreciation* of the report of the Director General of the United Nations Industrial Development Organization;[8]

2. *Notes with appreciation* the adoption, on 2 December 2013, of the Lima Declaration: towards inclusive and sustainable industrial development;[4]

3. *Reaffirms* the indivisible and inclusive nature of the 2030 Agenda for Sustainable Development,[9] while acknowledging that achieving inclusive and sustainable industrialization is integral to the efforts to achieve the Sustainable Development Goals;

4. *Recognizes* the contribution of the United Nations system, particularly, inter alia, the Food and Agriculture Organization of the United Nations, the International Labour Organization, the United Nations Conference on Trade and Development, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), the United Nations Environment Programme, the United Nations Industrial Development Organization, the World Intellectual Property Organization and the regional commissions, international financial institutions, international trade and economic institutions and all other relevant entities in promoting inclusive and sustainable industrial development, in accordance with their respective mandates, in order to increase their effectiveness and to strengthen cooperation with non-governmental organizations and the public and private sectors in promoting and strengthening efforts towards inclusive and sustainable industrial development;

5. *Also recognizes* the unique mandate of the United Nations Industrial Development Organization, within the United Nations system, to promote inclusive and sustainable industrial development and the important contribution to be made

[8] See A/71/264.

[9] Resolution 70/1.

by that Organization, as well as by other relevant entities and stakeholders, as appropriate, in supporting Member States in the achievement of the 2030 Agenda, including all relevant Sustainable Development Goals and targets;

6. *Reiterates* the policies, actions and objectives outlined in the Addis Ababa Action Agenda[10] to invest in promoting inclusive and sustainable industrial development to effectively address major challenges such as growth and jobs, resources and energy efficiency, pollution and climate change, knowledge-sharing, innovation and social inclusion;

7. *Recognizes* that the mobilization of national and international resources and an enabling national and international environment are key drivers for sustainable development;

8. *Underlines* the potential benefits, for developing countries, of stepping up their efforts to finance their own development by improving domestic resource mobilization and promoting financing, spurred by a robust and vibrant industrial sector, in order to achieve a long-term impact through local, national and regional ownership;

9. *Emphasizes* that each country must take the primary responsibility for its own industrial development, that national ownership and leadership are indispensable in the development process and that the role of national policies, resources and development strategies cannot be overemphasized, and also emphasizes that it is crucial for States to maintain their capacity for effective policy design and implementation, consistent with their international obligations, and thereby taking into account the regional strategies and policies agreed upon, as appropriate;

10. *Recognizes* that ensuring inclusive and sustainable industrial development requires consistent industrial policies and institutional frameworks that are duly supported by the necessary investment in industrial infrastructure, innovation, environmental technologies and skills development;

11. *Notes* the launch of the Global Infrastructure Forum, led by the multilateral development banks, on 16 April 2016 in Washington, D.C., and looks forward to relevant cooperation to advance the linkages between infrastructure development, inclusive and sustainable industrialization and innovation;

12. *Notes with appreciation* the Group of 20 Initiative on Supporting Industrialization in Africa and Least Developed Countries, launched by the leaders of the Group of 20 at its Summit held in Hangzhou, China, on 4 and 5 September 2016,[11] which aims at strengthening the inclusive growth and development potential of Africa and the least developed countries through voluntary policy options, and looks forward to its implementation while urging the Group of 20 to continue to engage with other States Members of the United Nations in its work and to ensure that any Group of 20 initiatives complement and strengthen the United Nations system;

[10] Resolution 69/313, annex.

[11] See A/71/380, annex.

13. *Recognizes* that inclusive and sustainable industrial development can play a crucial role in the realization of other major development objectives, including the Sustainable Development Goals, since, through inclusive and sustainable approaches to industrial development, countries can achieve self-sustaining economic and social development in an environmentally sustainable framework;

14. *Also recognizes* that realizing gender equality and the empowerment of women and girls at all levels, including in decision-making processes, will make a crucial contribution to progress across all Sustainable Development Goals, including achieving inclusive and sustainable industrial development;

15. *Emphasizes* that national efforts should be supported by development partners, as appropriate, and need to be complemented by a rules-based multilateral trading system that facilitates trade and provides opportunities for developing countries that aim to broaden their competitive export base by strengthening their capacities, facilitating the structural transformation and diversification of their economies and enhancing the participation and integration of enterprises from developing countries, including micro- and small-scale industrial enterprises, into global value chains and markets, which can help to promote economic growth and development, while taking into account support for local and regional industrial development and value chains, as appropriate;

16. *Also emphasizes* the need for the international community and the private sector, as appropriate, to contribute to creating an enabling environment for sustainable industrial development;

17. *Stresses* that national development efforts need to be supported by an enabling international economic environment, including coherent and mutually supporting world trade, monetary and financial systems, and strengthened and enhanced global economic governance, and that processes to develop and facilitate the availability of appropriate knowledge and technologies globally, as well as capacity-building, are also critical;

18. *Recognizes* the importance of the role of the private sector, as well as the role of public-private partnerships, in meeting the challenges of sustainable development, and in this regard underlines the importance of strengthening existing and forging new partnerships and networks at the global, regional and subregional levels, including South-South and triangular cooperation, and the full involvement of all relevant stakeholders towards achieving inclusive and sustainable industrial development;

19. *Stresses* that the lack of a dynamic industrial and manufacturing sector is one of the many factors that can lead to a widening of the income gap between rich and poor and to the erosion of social protection systems, as well as remaining inequality within and among countries;

20. *Encourages* the United Nations Industrial Development Organization to continue to organize global dialogues and promote multi-stakeholder partnerships in order to actively pursue its important role in the achievement of inclusive and sustainable industrial development and advance the linkages with infrastructure development and innovation for the achievement of the 2030 Agenda;

21. *Welcomes* the offer made by the United Arab Emirates and the United Nations Industrial Development Organization to host the Global Manufacturing and Industrialization Summit in Abu Dhabi from 27 to 30 March 2017, creating a multi-stakeholder platform for Governments, the private sector, civil society and other relevant stakeholders to share good practices, address challenges and foster innovative solutions to harness the potential of manufacturing and industrialization for sustainable development;

22. *Notes* the continuing cooperation of the United Nations Industrial Development Organization with the entities of the United Nations system, including the specialized agencies, funds and programmes;

23. *Underscores* the continuing work of the United Nations Industrial Development Organization as a global forum to disseminate knowledge and provide advice on industrial policies and strategies, successful industrialization experiences and best practices;

24. *Recognizes* the key role of the United Nations Industrial Development Organization in promoting sustainable industrial development and industrial innovation and mainstreaming science and technology into national productive systems;

25. *Welcomes* the establishment, by its resolution 69/313, of the Technology Facilitation Mechanism, and the launch, by its resolution 70/1, of the Mechanism, and looks forward to further collaboration between Member States, civil society, the private sector, the scientific community, United Nations entities and other stakeholders to promote inclusive and sustainable industrial development;

26. *Encourages* regional, subregional and interregional cooperation as a platform for international industrial cooperation aiming to promote investments and technology transfer on mutually agreed terms, to disseminate good policies and practices as well as to foster decent work, including for youth and women;

27. *Encourages* the United Nations Industrial Development Organization to align its medium-term policy framework with the new quadrennial comprehensive policy review cycle, as appropriate;

28. *Welcomes* the Programme for Country Partnerships of the United Nations Industrial Development Organization, already launched, as a promising model to foster inclusive and sustainable industrial development for its member States, and looks forward to its continued expansion to achieve greater geographic coverage with due consideration to the specific needs of different countries as stipulated in the Lima Declaration;

29. *Encourages* the United Nations Industrial Development Organization to continue to assist developing countries, including African countries, the least developed countries, landlocked developing countries, small island developing States and countries in conflict and post-conflict situations, as well as middle-income countries facing specific challenges, in participating in productive activities through, inter alia, the development of sustainable agro-industry and agribusiness that improves food security, eradicates hunger, creates jobs and is economically viable;

30. *Encourages* the promotion of South-South cooperation, triangular cooperation and the transfer, diffusion and adoption of technology on mutually agreed terms in building their engagement in international trade through the development of micro-, small and medium-sized enterprises;

31. *Encourages* supporting the meeting of international product and process standards and the integration of women and youth into the development process;

32. *Encourages* the United Nations Industrial Development Organization to support developing countries, upon request and in line with their development priorities, in achieving enhanced levels of inclusive and sustainable industrial development, by assisting them in building sustainable productive and trade capacities, including through support for policies in the context of job creation and poverty eradication in all its forms and dimensions, including extreme poverty, and in building institutional capacities for promoting environmentally sound and sustainable production, including through programmes on cleaner production, industrial water management, industrial energy efficiency and the utilization of efficient, modern and affordable forms of energy for productive use, especially in rural areas, and through continued cooperation with United Nations organizations and other organizations in order to support the achievement of multilateral environmental agreements and promote global goals on access to modern forms of energy, on energy efficiency and on renewable energy;

33. *Also encourages* the United Nations Industrial Development Organization to continue strengthening its role in assisting developing countries to create and disseminate knowledge by, inter alia, making use of its global network of investment and technology promotion offices, resource-efficient and cleaner production centres, centres for South-South industrial cooperation and international technology centres, as well as through its Institute for Capacity Development and its Networks for Prosperity initiative;

34. *Reiterates* the importance of promoting the creation and development of micro-, small and medium-sized enterprises as a strategy for achieving industrial development, economic dynamism, poverty and hunger eradication and job creation, including through the mobilization of resources and measures to foster sustainable and inclusive development, and in this regard recalls International Labour Organization Recommendation No. 189 concerning job creation in small and medium-sized enterprises;

35. *Acknowledges* the importance of reporting on corporate sustainability, encourages companies, where appropriate, especially publicly listed and large companies, to consider integrating sustainability information into their reporting cycle, and encourages industry, interested Governments and relevant stakeholders, with the support of the United Nations system, as appropriate, to develop models for best practices and to facilitate action for the integration of sustainability reporting, taking into account experiences gained from already existing frameworks and paying particular attention to the needs of developing countries, including for capacity-building;

36. *Welcomes* the ongoing support of the United Nations Industrial Development Organization for the New Partnership for Africa's Development,[12] the African (Accelerated) Agribusiness and Agro-industries Development Initiative, the Pharmaceutical Manufacturing Plan for Africa and other programmes of the African Union aimed at further strengthening the industrialization process in Africa;

37. *Notes with appreciation* the efforts of the World Bank and the regional development banks to support industrial development through financial programmes, and encourages the United Nations Industrial Development Organization to work closely with regional development banks on the implementation of their regional strategies, including with the African Development Bank on the implementation of their industrialization strategy for Africa;

38. *Stresses* the importance of the activities of the United Nations Industrial Development Organization, within its mandate, to support the efforts of middle-income countries to eradicate poverty in all its forms and dimensions, including extreme poverty, reduce inequalities and achieve sustainable development;

39. *Encourages* the United Nations Industrial Development Organization to continue to promote, within its mandate, its thematic priorities of creating shared prosperity, advancing economic competitiveness and safeguarding the environment, through its four enabling functions, which include technical cooperation, analytical and research and policy advisory services; normative functions and standards and quality-related activities; and partnership-building for knowledge transfer, networking and industrial cooperation, with the aim of enhancing the quality of the services it provides to developing countries and countries with economies in transition, in accordance with its medium-term programme framework 2016-2019 and taking into account the 2030 Agenda and other relevant development-related outcomes;

40. *Calls upon* the relevant organizations of the United Nations system, within their respective mandates and resources, to ensure that no one is left behind and no country is left behind in the implementation of the present resolution;

41. *Requests* the Secretary-General to submit to the General Assembly at its seventy-third session a report on the implementation of the present resolution, and decides to include in the provisional agenda of the seventy-third session, under the item entitled "Eradication of poverty and other development issues", the sub-item entitled "Industrial development cooperation", unless otherwise agreed.

[12] A/67/304, annex.